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Contras Got \$32 Million From Donors In 9 Months After U.S. Arms Aid Ran Out

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WASHINGTON — Retired Air Force Maj. Gen. Richard Secord was an early and dominant procurer of arms for Nicaraguan guerrillas, who paid about \$9 million for the Secord shipments from an estimated \$32 million received from foreign donors in the first nine months after U.S. military aid ran out in mid-1984, according to Contra leaders.

Purchases were arranged through Gen. Secord at least as early as January 1985, and the leader of the Contras' chief military organization said the arms originated from sources as diverse as Europe and China.

Credit Suisse, the same Swiss bank that figured in U.S. weapon sales to Iran last year, was a frequent conduit of funds for Gen. Secord's network. That network accounted for about half the estimated \$18 million in arms that the Contras say they bought in 1984-1985.

Adolfo Calero, head of the Nicaraguan Democratic Force, said yesterday that all of his organization's arms purchases were financed from the \$32 million, which is believed to include large contributions from Saudi sources as well as donors in Taiwan. Gen. Secord emerges again as a major figure in U.S. arms sales to Iran in 1986, but Mr. Calero denied any knowledge of weapons or ammunition purchased for the Contras from the millions that flowed through these transactions in Credit Suisse.

Contradicting statements by the U.S. Central Intelligence Agency, Mr. Calero said he regularly informed CIA personnel of the weapon purchases and network of suppliers used. Two former U.S. military officers, Lt. Col. James McCoy and Maj. Gen. John Singlaub, also helped to arrange major shipments, Mr. Calero said. But neither one proved as prominent as Gen. Secord, who contacted the Contra leader within weeks of the termination of U.S. aid.

Most Detailed Accounting

While he left major questions unanswered, Mr. Calero's comments and the records he cited provide the most detailed accounting yet of the FDN's finances in recent years. Credit Suisse is central to investigations now into the diversion of proceeds from the Iranian arms sales.

More broadly, Gen. Secord's prominence with the Contras reflects the close contacts kept between the insurgents and White House National Security Council staff members who directed aid to the guerrillas despite a ban on U.S. assistance for the Nicaraguan resistance.

Mr. Calero, who met with reporters in Washington, said he provided information regarding Contra bank accounts in the summer of 1984 to both Gen. Secord and his close ally within the NSC, Marine Lt. Col. Oliver North. "Gen. Secord told me he would help to raise money," said Mr. Calero, who insisted he was never told of the true source of funds received from abroad.

Deposits of approximately \$1 million a month, the first drawn on an unidentified account in the Swiss Bank Corp., were made to the FDN beginning in July 1984. The records show significantly larger payments in early 1985, with deposits of \$4 million on March 7, \$7.5 million March 15, and \$7.5 million March 25. The total is somewhat larger than amounts reported in an NSC memo prepared by Col. North in April 1985. In the same period, Col. North was active in obtaining export certificates necessary for the shipment of arms purchased by the Contras through Gen. Secord's network.

Mr. Calero said the FDN subsequently received about \$1 million through various organizations linked to conservative fund-

raiser Carl Russell "Spitz" Channel, but he said none of this money was used to buy arms.

Altogether six bank accounts in the Cayman Islands and Panama were used by the FDN, according to the records provided. Among the most active are three controlled by a Panamanian corporation, Alpha Service S.A., which also appears in Col. North's records. Mr. Calero said Alpha Service was set up by the FDN and public records in Panama City show it was registered in 1984.

Gaps on Source, Destination

Mr. Calero's account leaves major gaps in explaining the source of financing and final destination of arms shipped to Central America in late 1985 and 1986 on behalf of the Contras. An extensive airlift was mounted at that time to ferry arms and supplies into Nicaragua. Though Mr. Calero said most of these weapons had been purchased earlier, new shipments of arms were coming, too, from Europe.

For example, Southern Air Transport, a Miami freight carrier frequently used by Gen. Secord's network, reported five flights carrying explosives to Guatemala, Honduras and El Salvador from December 1985 through May 1986. All are believed part of the Contra supply operation.

Southern Air records show payments were made from a myriad of foreign-based corporations overseen by Gen. Secord and Col. North, and by this point, nearly all of the \$32 million in earlier donations received by the FDN had been exhausted.